

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
Norfolk Division**

REC SOFTWARE USA, INC.,

Plaintiff,

vs.

BAMBOO SOLUTIONS  
CORPORATION; MICROSOFT  
CORPORATION; SAP AMERICA, INC.;  
AND SAP AG,

Defendants.

**Civil Action No.: 2:10cv530-RAJ-TEM**

**Jury Trial Demanded**

**PLAINTIFF REC SOFTWARE USA, INC.’S ANSWER AND REPLY TO  
COUNTERCLAIMS OF DEFENDANT MICROSOFT CORPORATION**

Plaintiff REC Software USA, Inc. hereby answers and replies to the counterclaims of Defendant Microsoft Corporation (“Microsoft”). The paragraphs in this reply are numbered to correspond with the paragraph numbers in Microsoft’s counterclaims. All of the allegations of Microsoft’s counterclaims not specifically admitted herein are hereby denied.

**Nature of the Counterclaims**

1. Plaintiff admits that Microsoft’s counterclaims allege counterclaims for declaratory judgments of non-infringement and invalidity of U.S. Patent No. 5,854,936 (the “’936 patent”) asserted against Microsoft. Plaintiff denies any allegations of invalidity or non-infringement by Microsoft of the ‘936 patent

**Parties**

2. Upon information and belief, Plaintiff admits the allegations contained in paragraph 2 of Microsoft’s counterclaims.

3. Plaintiff admits the allegations contained in paragraph 3 of Microsoft’s counterclaims.

**Jurisdiction and Venue**

4. Plaintiff admits the allegations contained in paragraph 4 of Microsoft's counterclaims.

5. Plaintiff admits the allegations contained in paragraph 5 of Microsoft's counterclaims.

6. Plaintiff admits the allegations contained in paragraph 6 of Microsoft's counterclaims.

7. Plaintiff admits the allegations contained in paragraph 7 of Microsoft's counterclaims.

**COUNT I – DECLARATORY JUDGMENT OF NON-INFRINGEMENT**

8. Plaintiff incorporates by reference its responses to the allegations of paragraphs 1 through 7 of Microsoft's counterclaims as if fully set forth herein.

9. Plaintiff admits that an actual and justiciable case or controversy exists between Microsoft and Plaintiff REC with respect to the non-infringement of the '936 patent by virtue of Plaintiff REC's allegations of infringement of that patent by Microsoft, which allegations Microsoft denies. Plaintiff denies the remainder of paragraph 9 of Microsoft's counterclaims.

10. Plaintiff denies the allegations contained in paragraph 10 of Microsoft's counterclaims.

**COUNT II – DECLARATORY JUDGMENT OF INVALIDITY**

11. Plaintiff incorporates by reference its responses to the allegations of paragraphs 1 through 10 of Microsoft's counterclaims as if fully set forth herein.

12. Plaintiff admits that an actual and justiciable case or controversy exists between Microsoft and Plaintiff REC concerning the validity of the '936 patent by virtue of Plaintiff REC's allegations of infringement by Microsoft and validity of that patent, which allegations Microsoft denies. Plaintiff denies the remainder of paragraph 12 of Microsoft's counterclaims.

13. Plaintiff denies the allegations contained in paragraph 13 of Microsoft's counterclaims.

**DEMAND FOR JURY TRIAL**

Pursuant to Federal Rule of Civil Procedure 38(b), Plaintiff hereby demands a trial by jury on all issues triable by a jury as of right in this action.

**PRAYER FOR RELIEF**

Plaintiff denies that Microsoft is entitled to the relief it seeks or any relief for the allegations made in its counterclaims. Plaintiff requests that judgment be entered in its favor on all issues and that it be awarded the appropriate damages, exceptional damages, costs, and attorneys' fees.

Dated: February 2, 2011

Respectfully submitted,

REC SOFTWARE USA, INC.,

By Counsel

/s/ Nichole Buck Vanderslice

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CERTIFICATE OF SERVICE

I hereby certify that on the 2nd day of February, 2011, the foregoing was electronically filed with the Clerk of the Court using the CM/ECF system, which will then send a notification of such filing (NEF) to the following:

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